

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Supporting Proposed Amendments to Senate Bill

1717 (Machado)

MEETING DATE: August 21, 2002

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: That the City Council adop

That the City Council adopt a resolution supporting proposed

amendments to Senate Bill 1717 (Machado).

BACKGROUND INFORMATION: As noted during the April 3, 2002 Special Council Meeting, Senator

Machado introduced legislation on February 21, 2002 that impacts

cities which have non-contiguous annexed property. Lodi falls into this category. As such, Council, adopted Resolution No. 2002-74 opposing SB 1717. The Resolution

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It is staff's understanding that Senator Machado is now prepared to present amendments on the Senate Floor to include the following which City staff find acceptable:

- 1. Allows for "general sports purposes such as training and competitive sports."
- 2. Shall not include a shopping center, hotel, motel, or lodging house.
- 3. Allows for a dormitory or medical facility that exclusively serves individuals participating at the facilities.
- 4. Allows for food facilities as defined in Section 113785 of the Health and Safety Code
- 5. Allows for the construction and operation of electrical generation, transmission, and distribution.

City staff is recommending that Council adopt a resolution, superceding Resolution No. 2002-74, supporting the proposed amendments to SB 1717 as referenced in the Attachment.

Janet S. Keeter

CC:

Senator Mike Machado League of California Cities

Attachment

APPROVED:	J/W Alm
	H. Dixon Flynn City Manager

SB 1717 Proposed Floor Amendments

BILL NUMBER: SB 1717 AMENDED

BILL TEXT

AMENDED IN ASSEMBLY JUNE 17, 2002 AMENDED IN SENATE APRIL 30, 2002 AMENDED IN SENATE APRIL 16, 2002

INTRODUCED BY Senator Machado

FEBRUARY 21, 2002

An act to amend <u>Section</u> Sections 37396 and 56742 of the Government Code, relating to city annexations.

- SECTION 1. Section 37396 of the Government Code is amended to read:
- 37396. A city, county, or city and county may lease property owned, held, or controlled by it for not to exceed 99 years, for stadium, park, recreational, fair, exposition, or exhibition purposes, or for general sports purposes such as training and competitive sports.
- (b) On and after April 24, 2002, a lease executed pursuant to this section on territory annexed pursuant to Section 56472, shall not include a shopping center, hotel, motel, or lodging house, but may include a lease for all other purposes authorized under this section including a lease for either or both of the following purposes:
- (i) Any dormitory or medical facility that exclusively serves individuals participating in trainings or competitions held at the stadium, park recreational, fair, exposition, or exposition purposes.
- (ii) Any food facility as defined by Section 113785 of the Health and Safety Code, food vending, and sales of goods and services incidental to, and in support of, the purposes of the lease.
- -, or for food vending and sporting foods sales incidental to the stadium, park, recreational, fair, exposition, or exhibition purposes. Territory annexed pursuant to Section 56742 may not be leased under this section for a shopping center, hotel, motel, or lodging house .
- (c) A lease made by a county pursuant to this section is subject to the provisions of Article 8 (commencing with Section 25520) of Chapter 5 of Part 2 of Division 2 of Title 3.
- SEC. 2. Section 56742 of the Government Code is amended to read:
- 56742. (a) Notwithstanding Section 56741, upon approval of the commission a city may annex noncontiguous territory not exceeding 300 acres if the territory meets all of the following requirements:
- (1) It is located in the same county as that in which the city is situated.

- (2) It is owned by the city.
- (3) It is used for municipal purposes at the time commission proceedings are initiated.
- (b) Territory which is used by a city for the reclamation, disposal, and storage of treated wastewater may be annexed to the city pursuant to this section without limitation as to the size of the territory.
- (c) If territory is annexed pursuant to this section, the annexing city may not annex any territory not owned by the city, not used for municipal purposes, and not contiguous to the city, although the territory is contiguous to the territory annexed pursuant to this section.
- (d) Notwithstanding any other provision of this section, a city which annexes territory pursuant to this section may annex additional territory in the same county as that in which the city is situated which is owned by the United States government or the State of California and which is contiguous to the first annexed territory if the total acreage of the first annexed and the subsequently annexed territory together does not exceed 300 acres in area. If after the completion of the subsequent annexation, the city sells any or all of the first annexed territory, the subsequently annexed territory shall cease to be part of the city if the subsequently annexed territory is no longer contiguous to territory owned by the city.
- (e) When any or all of the territory annexed to a city pursuant to this section is no longer owned by the city or is no longer used for municipal purposes, that territory shall cease to be a part of that city.
- (e) When any or all of the territory annexed to a city pursuant to this section is sold by the city, all of the territory which is no longer owned or is no longer used for municipal purposes, Any or all of the territory shall cease to be a part of that city. if
- (1) It is no longer owned by the city.
- (2) It is no longer used for municipal purposes.
- (3) It is no longer used for municipal purposes under a lease.
- (f) A city may lease territory annexed pursuant to this section for any of the purposes authorized pursuant to Sections 37380 to 37396 of the Government Code, as well as enter into leases for the construction and operation of electrical generation, transmission, and distribution. If, however, a city enters into a lease on and after April 24, 2002, pursuant to Section 37395, 37396, or any other provision of law, which would authorize the development of a shopping center, hotel, motel, or lodging house on territory annexed pursuant to this section, the affected territory shall cease to be a part of the city.
- (g) When territory ceases to be part of a city pursuant to this section, the legislative body of the city shall adopt a resolution confirming the detachment. The resolution shall describe the detached territory and shall be accompanied by a map indicating the territory. Immediately upon adoption of the resolution, the city clerk shall make any filing required by Chapter 8 (commencing with Section 57200) of Part 4.
- (g) If territory annexed to a city pursuant to this section becomes contiguous to the city, the limitations imposed by this

section shall cease to apply. — SEC. 2.

SEC. 3. It is the intent of the Legislature that none of the changes made in this Act Sections 37396 and 56742 of the Government Code by this legislation shall affect or impair the conditions or obligations of any leases which were entered into prior to April 24, 2002.

The Legislature finds and declares that the -the following: (a) The term "used for municipal purposes" as used in-Section 56742 of the Government Code may shall not include a lease entered into on or after April 24, 2002, for commercial development for business purposes pursuant to Section 37395 of the Government Code, or any other provision of law. -Nothing in this section shall prevent a city from entering into a lease pursuant to Sections 37380 to 37394, inclusive, or Section 37396 of the Government Code. It is the intent of the Legislature that cities shall (b) The term "used for municipal purposes" as used in Section 56742 of the Government Code shall in clude the following: - (1) Leases entered pursuant to Sections 37380 to 37394, inclusive, or Section 37396 of the Government Code. (2) Leases for the construction and operation of electrical generation, transmission, and distribution. (c) Cities may not use the provisions of this section to promote commercial development that is not contiguous to urbanized areas, to increase municipal revenues, or to avoid the land use control of counties.



CITY OF LODI

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cities which have non-contiguous annexed property. Lodi falls into

this category. As such, Council, adopted Resolution No. 2002-74 opposing SB 1717. The Resolution noted that the City Council "... strongly opposes Senate Bill 1717 due to its extremely intrusive nature into local control by its attempt to dictate how a city utilizes property, which is legally within its boundary and owned by that City." With that message, Council Members and staff worked with the League of California Cities, Senator Machado's Office, and interested parties to amend the legislation. The legislation was amended on April 16th, April 30th, and June 17th, however the amendments did not fully address the City's concerns.

It is staff's understanding that Senator Machado is now prepared to present amendments on the Senate Floor to include the following which City staff find acceptable:

- 1. Allows for "general sports purposes such as training and competitive sports."
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- 5. Allows for the construction and operation of electrical generation, transmission, and distribution.

City staff is recommending that Council adopt a resolution, superceding Resolution No. 2002-74, supporting the proposed amendments to SB 1717 as referenced in the Attachment.

Respectfully,

And Sala

Janet S. Keeter

cc: Senator Mike Machado League of California Cities

Attachment

APPROVED:		
_	H. Dixon Flynn City Manager	



League of California Cities

1400 K Street, Suite 400 • Sacramento, California 95814 Phone: (916) 658-8200 Fax: (916) 658-8240 www.cacities.org

August 19, 2002

TO:

All Assembly Members

FROM:

Dan Carrigg, Legislative Representative [916/658-8222]

RE:

SB 1717 (Machado) City-Owned Land: Annexation

Notice of Neutral Position, based Upon August 19, 2002, Amendments (Rn#216375)

The League of California Cities has taken a **Neutral** position on <u>\$B 1717</u> (Machado), as amended August 19, 2002, (RN#216375).

This legislation affects city-owned territory located in county areas, which have been annexed to the city when the territory is used for municipal purposes, such as wastewater treatment, landfills, and municipal airports. The current statute is clear that if a city sells some of this territory that the affected territory is no longer part of the city. However, the law is silent on leases.

This bill clarifies that if cities in the future approve a lease for a shopping center, hotel, motel, or lodging house on one of these municipal islands, then the affected territory would no longer be part of the city.

To date, we are unaware of examples of cities having approved these commercial uses on municipal islands. We opposed earlier versions of this legislation out of concern that the language was overly broad and could prohibit local governments from entering into other leases which benefit the municipal purpose or are ancillary to or in support of other leases on the property, and we also wanted to ensure that a change in the law applied only to future leases, not retroactively.

The language in the proposed amendments removes the League's prior concerns about the potential statewide impact of the language.

We also appreciate the efforts of the author to work with us to develop language to remove our concerns.

cc: Senator Mike Machado William Weber, Principal Consultant, Assembly Republican Caucus Mike Gotch, Legislative Secretary, Governor's Office City of Lodi

RESOLUTION NO. 2002-180

A RESOLUTION OF THE LODI CITY COUNCIL SUPPORTING PROPOSED AMENDMENTS TO SENATE BILL 1717 (MACHADO)

WHEREAS, Senator Machado introduced legislation on February 21, 2002 that impacts cities which have non-contiguous annexed property, which will include the City of Lodi; and

WHEREAS, the Lodi City Council adopted Resolution No. 2002-74 opposing SB 1717, which stated in part that the City Council " . . . strongly opposes Senate Bill 1717 due to its extremely intrusive nature into local control by its attempt to dictate how a city utilizes property, which is legally within its boundary and owned by that City"; and

WHEREAS, with that message, Council Members and staff worked with the League of California Cities, Senator Machado's Office, and interested parties to amend the legislation; and

WHEREAS, the legislation was amended on April 16^{th} , April 30^{th} , and June 17^{th} , but did not fully address the City's concerns; and

WHEREAS, staff understands that Senator Machado is now prepared to present amendments on the Senate Floor to include the following, which City staff finds acceptable:

- 1. Allows for "general sports purposes such as training and competitive sports."
- 2. Shall not include a shopping center, hotel, motel, or lodging house.
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- 4. Allows for food facilities as defined in Section 113785 of the Health and Safety Code.
- 5. Allows for the construction and operation of electrical generation, transmission, and distribution.

WHEREAS, City staff now recommends that the City Council adopt a resolution supporting the proposed amendments to SB 1717 as referenced above.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lodi does hereby support the proposed amendments (as listed above) to Senate Bill 1717 (Machado).

Dated: August 21, 2002

I hereby certify that Resolution No. 2002-180 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 21, 2002, by the following vote:

AYES:

COUNCIL MEMBERS -- Hitchcock, Howard, Land, Nakanishi, and Mayor

Pennino

NOES:

COUNCIL MEMBERS - None

ABSENT:

COUNCIL MEMBERS - None

ABSTAIN:

COUNCIL MEMBERS - None

SUSAN J. BLACKSTON

City Clerk

2002-180